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TAGS: [PGOV](#) [MARR](#) [SNAR](#) [PINS](#) [PA](#)
SUBJECT: PARAGUAY: PRESIDENTIAL REELECTION IS BACK; DUARTE
APPOINTS NEW MILITARY LEADERSHIP

Classified By: DCM Michael J. Fitzpatrick. Reasons: 1.4(b),(d)

¶1. (C) SUMMARY: In the wake of the Colorado Party's routing of the opposition in November 19 municipal elections, President Duarte is laying the groundwork for his reelection in 2008. Regardless of what combination of Congressional approval, Constituent Assembly, and/or national referendum is ultimately pursued, Duarte will be hard-pressed to obtain the necessary votes in what may prove his last chance to secure approval for his reelection bid.

¶2. (C) In a subsequent move to deny the opposition politicians continued leverage over him, the President shook up the police and military command structures November 26. General Bernardino Soto Estigarribia, Paraguay's new Commander of the Armed Forces, has a good reputation for integrity and vision. We expect Soto will seek to maintain strong military cooperation with the U.S. and offers better prospects for embracing necessary reform. While the opposition has applauded the change (they had blocked military promotions for one year), it is not apparent it will improve the President's prospects for winning votes in Congress. Police Commissioner Aristides Cabral, long-linked to drug trafficking has reached his 30-year limit and will pass into retirement. END SUMMARY.

Reelection: Duarte's Last Stand ... For Now

¶3. (C) The President has proven himself obsessed with pursuing reelection over the last year and a half. While he had toned down his rhetoric on the issue over the last month, the Colorado Party's major victory in November 19 municipal elections rekindled his hopes about his reelection prospects. Colorado Senator Rachid told Pol Chief November 22 that the President looked to introduce this issue to Congress before December 8. Colorado leaders are reportedly huddling November 30 with a view to developing a strategy for winning necessary support, including rallying support of those Congressmen within the Colorado Party ambivalent about the President's reelection ambitions.

¶4. (U) Paraguay's 1992 Constitution limits the President to one term. Duarte has signaled he will seek an amendment to the Constitution that would allow a sitting or former president to pursue reelection. An amendment to the Constitution requires a simple majority in both houses of Congress to win approval. Paraguay has never amended its constitution to date.

¶5. (C) Based on its interpretation the amendment process only applies in the case of relatively minor changes to the

Constitution, the opposition is insistent changing the Constitution to allow for reelection can only be done in the context of a Constituent Assembly. This is a much more laborious process requiring two-thirds support in both houses of Congress and the election of members to an assembly that could potentially debate numerous changes to the Constitution over several months. The election for this assembly cannot be held within six months of another election which leaves very little time for this option. The prospects the President can rally the necessary votes continue to be long as the opposition commands a majority in the Senate and remains strongly opposed to the president's reelection desires. Even in the House of Deputies where the Colorados enjoy a razor thin majority -- and where his supporters say they would likely introduce a measure on reelection -- a faction of Colorados had signaled its opposition to reelection.

16. (C) Justice Minister Derlis Cespedes told DCM November 24 that the President intended to reform the Constitution via Congress and then take that approval to the public via a national referendum. Only then, he said, would the President vie for the Colorado Party nomination and then run for reelection. He suggested House and Senate approval plus a public referendum would have to be obtained by June 2007 -- which he thought was possible.

Changing the Security Hierarchy

17. (C) With the municipal elections won, and the announcement of re-election plans out, the President then moved quickly to remove a major political irritant in his relations with the Congress. Duarte addressed long-standing grievances of the opposition with the military, by naming new leaders to both the Armed Forces and the National Police. Commander of the

Armed Forces General Jose Key Kanazawa -- distinguished for his loyalty to the President and not his leadership of or vision for the military -- was relieved of duty and replaced with Brigadier General Bernardino Soto Estigarribia, who is well respected among his peers. (NOTE: Kanazawa was targeted for removal by the opposition for a December 2005 letter produced by the Armed Forces criticizing the Congress for delays in the promotion process and issuing a veiled threat about its response. END NOTE). Soto has been on several exchange programs with the U.S. military, including the School of the Americas. Post views him as friendly to the U.S. offering improved prospects for overdue military reform.

18. (C) Separately, Brigadier General Juan Bautista Gomez replaces Brigadier General Cecilio Perez Bordon as Commander of the Army as the most significant amongst a number of other changes in the military hierarchy. Pedro Mendez Franco (a recipient of U.S. training) replaces Simon Bogado as Police Sub-Commander. Police Commissioner Aristides Cabral, long-linked to illicit drug traffickers, reached his 30-year limit and will finally pass into retirement. Cabral had survived his failure to win promotion last year when he was named Police Chief of Villa Hayes. Failing to win promotion to be either Commander or Sub-Commander of the Police this year, he no longer has a future within the police structure. Promotions in the ranks of the military and the police should be announced in the coming weeks. It is expected the Congress will lift its one year hold on the promotions.

19. (C) COMMENT: In an effort to extend his political life, Duarte has spent an inordinate amount of time campaigning. The Colorados scored a big victory in the November 19 municipal elections but that will do little to sway the opposition within Congress, which holds the decision on reelection within its hands. Duarte's decision to replace the Commander of the Armed Forces is a positive development in its own right but it also likely contributes little to securing wider opposition support for reelection. It simply reduces the opposition's political leverage and ammo supply. The remaining weeks of this year's legislative session may prove Duarte's last viable hope to pursue his reelection bid;

by the time Congress reconvenes in March, other Colorados, including the Vice-President, will want to start launching their own campaigns. END COMMENT.

CASON